



State of North Carolina Office of Information Technology Services

Michael F. Easley, Governor

George Bakolia, State Chief Information Officer

Memorandum

To: Cabinet Secretaries
Council of State

From: George Bakolia *GB*

Subject: Information Technology Procurement

Date: October 28, 2004

Following a directive from the General Assembly in Senate Bill 991, I have established new procedures for purchasing desktop personal computers, laptop computers and printers. The goal is to save money by consolidating the purchase of these commodities.

This concept is recognized as an industry best practice in other states and in the private sector. In addition, several state agencies have consolidated their purchases. By standardizing on fewer configurations, consolidating purchases and considering competition, these agencies have realized significant savings compared to the discounts offered under state contract. By using this approach on a statewide basis, we can achieve even greater savings and efficiencies.

I outlined this new process for all agency Chief Information Officers during a meeting in September, and my staff has been working with your agency to implement this change. A working group is finalizing several standard configurations for PCs that will simplify the process.

The first step in this effort was very successful. By simply combining requisitions, we saved the State of North Carolina more than \$300,000. The cost savings reflect discounts in excess of what the agencies had already negotiated. I anticipate the savings will be even more significant as we refine this process.

We are planning the next bulk purchase early next year. To be eligible, your agency must submit a consolidated request for desktop PCs, laptops and printers by January 1, 2005. Updated procedures will be sent to your agency's CIO in the near future. After that purchase, the next bulk purchase will come late in the 2005 fiscal year. Therefore, your agency needs to plan for its needs.

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I understand that unforeseen needs sometimes arise, and small purchases outside the bulk purchase will be considered. Effective immediately, however, all purchases outside the bulk purchase for desktop PCs, laptops and printers must be approved by my office. P-cards may not be used for the purchase of these commodities.

I have directed Patricia Bowers, the State IT Procurement Officer, to send all requests for purchases of these items outside the bulk purchase directly to my office for review. They will be approved only if they are true emergencies that cannot wait until the next bulk purchase.

As all of us grow accustomed to this new process, it may be a good idea for your agency to acquire a few extra PCs and printers to fill unanticipated demands.

Please feel free to contact me if you have any questions or concerns.

cc: Chief Information Officers
Chief Finance Officers
Chief Purchasing Officers